

109TH CONGRESS
2D SESSION

H. R. 5487

To require the Secretary of Veterans Affairs to take certain actions to mitigate the effects of the breach of data security that occurred, or is likely to have occurred, in May, 2006, at the Department of Veterans Affairs, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 25, 2006

Ms. HOOLEY (for herself, Mr. LATOURETTE, Ms. BEAN, Mr. BAKER, Mr. MOORE of Kansas, Mr. KANJORSKI, Mr. CROWLEY, Mrs. MCCARTHY, Mr. MEEKS of New York, Mr. HINOJOSA, Ms. MOORE of Wisconsin, Mr. CLAY, Mrs. KELLY, Ms. HARMAN, Mr. LARSON of Connecticut, Mr. RAHALL, Mr. DELAHUNT, Ms. CORRINE BROWN of Florida, Mr. KUCINICH, Mr. MICHAUD, Mr. DAVIS of Alabama, Mr. AL GREEN of Texas, Mr. SCOTT of Georgia, Mr. LYNCH, Mr. GRIJALVA, Ms. DEGETTE, Ms. BORDALLO, Mr. BACA, Mr. SMITH of Washington, Mr. CLYBURN, Mr. CONYERS, Mr. THOMPSON of Mississippi, Mr. DICKS, Mr. INSLEE, Mr. POMEROY, Mr. FILNER, Mr. RAMSTAD, Ms. WASSERMAN SCHULTZ, Mr. WALDEN of Oregon, Mr. DEFazio, Mr. BAIRD, and Ms. HERSETH) introduced the following bill; which was referred to the Committee on Veterans' Affairs

A BILL

To require the Secretary of Veterans Affairs to take certain actions to mitigate the effects of the breach of data security that occurred, or is likely to have occurred, in May, 2006, at the Department of Veterans Affairs, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Veterans’ ID Theft
3 Protection Act of 2006”.

4 **SEC. 2. ACTIONS REQUIRED WITH RESPECT TO VETERANS**
5 **ADMINISTRATION DATA BREACH.**

6 (a) IN GENERAL.—With respect to the breach of data
7 security that occurred, or is likely to have occurred, in
8 May, 2006, at the Department of Veterans Affairs, the
9 Secretary of Veterans Affairs shall take the following ac-
10 tions with respect to such breach in addition to any other
11 actions the Secretary may determine to be appropriate.

12 (1) SYSTEM RESTORATION REQUIREMENTS.—
13 The Secretary shall take prompt and reasonable
14 measures to—

15 (A) repair the breach and restore the secu-
16 rity and confidentiality of the sensitive financial
17 personal information involved to limit further
18 unauthorized misuse of such information; and

19 (B) restore the integrity of the Depart-
20 ment’s data security safeguards and make ap-
21 propriate improvements to its data security
22 policies and procedures.

23 (2) NOTICE REQUIREMENTS.—

24 (A) IN GENERAL.—The Secretary shall
25 without unreasonable delay notify any person

1 affected by the breach in the manner provided
2 in this paragraph, as well as—

3 (i) each nationwide consumer report-
4 ing agency described in section 603(p) of
5 the Fair Credit Reporting Act with respect
6 to the breach itself and each person af-
7 fected by the breach; and

8 (ii) any other appropriate critical
9 third parties who will be required to under-
10 take further action with respect to such in-
11 formation to protect such persons from re-
12 sulting fraud or identity theft.

13 (B) CONTENT OF NOTICE.—Any notice re-
14 quired to be provided under subparagraph (A)
15 by the Secretary to any person affected by the
16 breach shall be provided in a standardized
17 transmission or envelope clearly marked as con-
18 taining an important notice from the Depart-
19 ment of Veterans Affairs on stolen identity in-
20 formation, and shall include the following in a
21 clear and conspicuous manner:

22 (i) An appropriate heading or notice
23 title.

24 (ii) A description of the nature and
25 types of information and accounts as ap-

1 appropriate that were, or are reasonably be-
2 lieved to have been, subject to the breach
3 of data security.

4 (iii) If known, the date, or the best
5 reasonable approximation of the period of
6 time, on or within which sensitive personal
7 information related to the consumer was,
8 or is reasonably believed to have been, sub-
9 ject to a breach.

10 (iv) A general description of the ac-
11 tions taken by the Secretary to restore the
12 security and confidentiality of the breached
13 information.

14 (v) A telephone number by which any
15 person affected by the breach may call the
16 Department of Veterans Affairs, free of
17 charge, to obtain additional information
18 about how to respond to the breach.

19 (vi) A copy of the summary of rights
20 of consumer victims of fraud or identity
21 theft prepared by the Federal Trade Com-
22 mission under section 609(d) of the Fair
23 Credit Reporting Act, as well as any addi-
24 tional appropriate information on how the
25 person affected by the breach may—

1 (I) obtain a copy of a consumer
2 report free of charge in accordance
3 with section 612 of the Fair Credit
4 Reporting Act;

5 (II) place a fraud alert in any file
6 relating to the person at a consumer
7 reporting agency under section 605A
8 of such Act to discourage unauthor-
9 ized use; and

10 (III) contact the Federal Trade
11 Commission for more detailed infor-
12 mation.

13 (vii) A prominent statement that file
14 monitoring will be made available upon re-
15 quest in accordance with paragraph (3) to
16 the person affected by the breach free of
17 charge for a period of not less than 6
18 months, together with a telephone number
19 at the Department of Veterans Affairs for
20 requesting such services. The statement
21 may also include such additional contact
22 information as a mailing address, e-mail,
23 or Internet website address.

24 (viii) The approximate date the notice
25 is being issued.

1 (C) RESPONSIBILITY AND COSTS.—

2 (i) IN GENERAL.—The Secretary of
3 Veterans Affairs shall be—

4 (I) responsible for providing any
5 notices and file monitoring required
6 under this section with respect to such
7 breach; and

8 (II) responsible for the reason-
9 able actual costs of any notices pro-
10 vided under this section.

11 (ii) NO CHARGE TO PERSONS AF-
12 FECTED BY THE BREACH.—The cost for
13 the notices and file monitoring described in
14 clause (i) may not be charged to the per-
15 sons affected by the breach.

16 (3) FREE FILE MONITORING.—The Secretary of
17 Veterans Affairs, if requested by the person affected
18 by the breach before the end of the 90-day period
19 beginning on the date of such notice, shall make
20 available to the person, free of charge and for at
21 least a 6-month period a service that monitors na-
22 tionwide credit activity regarding a consumer from a
23 consumer reporting agency described in section
24 603(p) of the Fair Credit Reporting Act.

1 (b) NEGOTIATING AUTHORITY.—The Secretary of
2 Veterans Affairs shall have broad authority to secure the
3 best possible price for credit monitoring services on behalf
4 of taxpayers.

5 (c) AUTHORIZATION OF APPROPRIATIONS.—There
6 are authorized to be appropriated to the Secretary of Vet-
7 erans Affairs the sum of \$100,000,000 to carry out the
8 requirements of this section.

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